

BELA BELA LOCAL MUNICIPALITY

ICT Governance Framework.

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GLOSSARY OF TERMS AND DEFINITIONS

Accounting Authority	<p>(a) In a National Public Entity: The Board of Directors / Council appointed by the Minister accountable to Parliament for that public entity, or in whose portfolio it falls, or the Chief Executive Officer in the absence of the Board of Directors / Council; and</p> <p>(b) In a Provincial Public Entity: The Board of Directors / Council appointed by the Premier or Member of the Executive Council, accountable to the Provincial Legislature and Executive Council for that public entity, or the Chief Executive Officer in the absence of the Board of Directors / Council. (Public Service Risk Management Framework [PSRMF] 2010:11)</p>
Accounting Officer	<p>(a) In a Constitutional Institution: The Chief Executive Officer;</p> <p>(b) In a National Department: The Director-General;</p> <p>(c) In a Provincial Department: The Head of Department. (PSRMF 2010:10)</p>
AG	Auditor-General
CIO	Chief Information Officer
COBIT™	Control Objectives for Information Technology
Corporate Governance	<p><i>"...the set of responsibilities and practices exercised by the board and executive management with the goals of providing strategic direction, ensuring that objectives are achieved, ascertaining that risks are managed appropriately and verifying that the enterprise's resources are used responsibly." (IT Governance Institute: CGEIT® Glossary:5)</i></p>
Governance of ICT	<p><i>"The system by which the current and future use of IT is directed and controlled. It involves evaluating</i></p>

	<i>and directing the plans for the use of IT to support the organisation and monitoring this use to achieve plans. It includes the strategy and policies for using IT within an organisation."</i> (ISO 38500: 2008:9)
DPSA	Department of Public Service and Administration
EXCO	Executive Management
Executive Authority	<p>(a) In a Constitutional Institution: The Chairperson of the Constitutional Institution in relation to a Constitutional Institution with a body of persons, and in relation to a Constitutional Institution with a single office bearer, the incumbent of that office;</p> <p>(b) In a National Department: The Cabinet member who is accountable to Parliament for that department;</p> <p>(c) In a Provincial Department: The Member of the Executive Council of a province who is accountable to the Provincial Legislature for that department;</p> <p>(d) In a National Public Entity: The Cabinet member who is accountable to Parliament for that public entity or in whose portfolio it falls;</p> <p>(e) In a Provincial Public Entity: The Member of the Provincial Executive Council who is accountable to the Provincial Legislature for that public entity or in whose portfolio it falls;</p> <p>(PSRMF 2010:12)</p>
Executive Management	This is the Executive Management of the Institution and could include the Director General/HoD/CEO, Deputy Directors General (DDG)/Executive Management of the Institution. This normally constitutes the Executive Committee of the Department and should include the GITO.
GITO	Government Information Technology Officer (Cabinet Memorandum 38(a) of 2000)

GITOC	Government Information Technology Officer's Council (Cabinet Memorandum 38(a) of 2000)
Institution	National and provincial departments and public entities reporting to these departments, including their subsidiaries and trading entities; municipalities and municipal entities, and independent institutions established by the constitution.
HoD	Head of Department
ICT	Information and Communications Technology
GICT	Governance of ICT
GICTF	Governance of ICT Framework
Governance Principles	The vehicle to translate the desired behaviour into practical guidance for day-to-day management (COBIT 5 Framework Exposure Draft: 29)
ISACA	Information Systems Audit and Control Association
ITGI™	IT Governance Institute
King III	The King Code of Corporate Governance for South Africa 2009
M&E	Monitoring and Evaluation
MPSA	Minister of Public Service and Administration
MTEF	Medium Term Expenditure Framework
PSICTM	Public Service ICT Management
Risk Appetite	The amount of residual risk that the Institution is willing to accept. (PSRMF 2010:15)
Risk Management	A systematic and formalised process to identify, assess, manage and monitor risks. (PSRMF 2010:16)
SITA	State IT Agency

1. EXECUTIVE SUMMARY

- 1.1. Public Service delivery is driven by government-wide strategic objectives translated into 12 outcomes and guided by the Batho Pele principles of equal access to services, increased productivity and lowering of costs. The purpose of information and communication technology (ICT) is to enable the Public Service in its service delivery quest. The ICT House of Values¹ depicts the values and key focus areas of ICT service delivery. These objectives, principles, values and key focus areas inform the acquisition, management and use of ICT.
- 1.2. To determine whether ICT in the Public Service delivers an enabling service various investigations were done into the shortcomings of ICT. The first of these was the Presidential Review Commission (PRC) report of 1998, which stated that all-important decisions on ICT should come from senior political and managerial leadership of the state and not be delegated to the technologists. It furthermore advocates a common enabling framework of governance.
- 1.3. Since the publication of the PRC report, little has changed with respect to the governance of ICT in the Public Service. This was confirmed during the information systems review of governance of ICT in government conducted by the Auditor General (AG) in 2008/09 and again in 2009/10. Some of the AG recommendations were:
 - 1.3.1. That a government-wide Governance of ICT Framework (GICTF) be put in place for the implementation of a national IT strategy to address IT risks, based on defined processes and standards; and
 - 1.3.2. That the governance of ICT (GICT) roles and responsibilities are defined and implemented to ensure adequate Public Service ICT enablement.
- 1.4. The view that ICT should be governed and managed from a political and managerial leadership is supported by the international accepted best practices and standards in the form of the King III code and ISO 38500² standard:
 - 1.4.1. King III is a Code of Good Governance emphasising corporate leadership, business sustainability and corporate citizenship.
 - 1.4.2. ISO 38500 is an international standard for the governance of ICT, which provides a framework of principles for the executive authority and management³ to govern and manage ICT.Both the Code and Standard fully places the accountability for governance of ICT in the hands of political leadership and executive management.
- 1.5. This accountability enables the Institution to align the delivery of ICT services with the strategic and business goals of the Institution.

¹ e-Government Policy 2002 as amended

² Adopted as a SANS standard for the South African environment

³ See definitions of Executive Authority and Executive Management

- 1.6. The executive authority and management of Belabela need to extend corporate governance as a good management practice to ICT. In the execution of the governance of ICT they should provide the leadership, frameworks, policies, organisational structures, delegations (roles and responsibilities), resources, capacity and capability. To further strengthen the governance of ICT the Government Information Technology Officer (GITO) should be an integral part of the executive management of the Institution.
- 1.7. The governance of ICT is a continuous process that should be embedded in all operations of an Institution, from executive authority and management level to the business and ICT service delivery.
- 1.8. This Framework provides the political and executive leadership with a set of principles and an implementation approach for the governance of ICT within their municipalities.
- 1.9. In recognition of the importance of the governance of ICT, COBIT™ was developed by ISACA™ as a comprehensive governance of ICT Framework (GICTF). It is acknowledged as an international good practice. COBIT™ fully supports the principles of the King III Code and the SANS 38500 standard on the Governance of ICT (GICT).
- 1.10. The GITO Council, since 2002 and on different forums endorsed the adoption of COBIT™ as the GICTF for the Public Service. The AG also uses COBIT™ to independently audit ICT in the SA Government.
- 1.11. Municipalities are expected to implement COBIT™ in line with the principles of this Framework.
- 1.12. A blanket implementation COBIT™ cannot be performed due to the unique context of each Institution. The DPSA will issue an implementation guideline in support of this Framework and COBIT™, against which the AG will audit Institutions.

2. PURPOSE OF THE GOVERNANCE OF ICT FRAMEWORK

- 2.1. The purpose of this GICTF is to institutionalize the governance ICT as an integral part of corporate governance within Institutions.

3. SCOPE OF THIS FRAMEWORK

- 3.1. This Framework for the governance of ICT applies to all national, provincial and Local Government institutions as defined by the Public Service Act of 1994 as amended.
- 3.2. National and provincial institutions that have a supervisory role over institutions and entities that do not fall under this Act may prescribe a GICTF for such entities, which should be aligned with this Framework.
- 3.3. The scope may be extended to other government Institutions at a later stage.

4. APPLICABILITY

- 4.1. This Framework recognizes that Institutions are diverse. It is thus not possible to produce a blueprint that is generically applicable within all Institutions. This Framework adopts the approach of elucidating principles and objectives to support and sustain effective governance of ICT. Institutions are expected to develop their own system of governance of ICT by adopting the principles and objectives put forward in this document.

SECTION 1: STRATEGIC CONTEXT

5. BACKGROUND

- 5.1. The Presidential Review Commission (PRC) report of 1998 contains the main findings and recommendations in relation to the operation, transformation and development of the South African Public Service and in particular the creation of a new culture of good governance.⁴ The report stated inter alia:
- a) All important decisions on ICT should come from **senior political and managerial leadership**; and
 - b) That the management of ICT falls on the same level as the management of other resources such as people, money and organisations in the Public Service.
- 5.2. In 2002, the GITO Council and again in November 2010, adopted the implementation of COBIT™ as ICT Governance Framework for implementation in the Public Service.
- 5.3. Since the publication of the PRC report, little has changed with respect to the governance of ICT in the Public Service. This was confirmed during the information systems review of governance of ICT in government conducted by the Auditor General (AG) in 2008/09 and again in 2009/10. The AG, made the following applicable recommendations:
- 5.3.1. That a government-wide Governance of ICT Framework be put in place for the implementation of a national IT strategy to address IT risks, based on defined processes and standards;
 - 5.3.2. That a government-wide policy framework and an implementation guideline be developed to address ICT risks; and
 - 5.3.3. That the governance of ICT roles and responsibilities are defined and implemented to ensure adequate Public Service ICT enablement.
- 5.4. Based on these AG recommendations the Department of Public Service and Administration (DPSA) communicated these findings to all Institutions in August 2010, stressing the importance of the governance of ICT. Institutions were requested to provide the DPSA with recommendations on the improvement of governance of ICT.
- 5.5. Furthermore the Minister for Public Service and Administration emphasized the importance of the implementation of the governance of ICT at both the GITO Council (GITOC) 10 year anniversary (16 August 2011) and the CIO Summit (March 2011).
- 5.6. The aforementioned indicates a lack of government-wide and Institutional governance of ICT. The guidance and decisions for the governance of ICT should come from senior

⁴ Report of the Presidential Review Commission as presented to the President of South Africa 27 February 1998

political and managerial leadership and should be viewed at the same level of importance as the other resources.

6. INTRODUCTION

- 6.1. Government service delivery is driven by Government-wide strategic objectives translated into 12 strategic performance outcomes. At an Institutional level, specific Institutional strategic outcomes are formulated, aligned with the 12 outcomes. These outcomes are translated into implementation and execution plans for each Institution. The executive authority of an Institution is accountable for the realization of these performance outcomes.
- 6.2. The purpose of ICT is to serve as an enabler of the public service delivery and the values and key focus areas, as set in the ICT House of Values⁵, enable the Public Service to achieve these 12 outcomes.
- 6.3. In recent years there has been a growing realisation of the importance of corporate governance of IT, as emphasised by King III (Chapter 5)⁶, the PRC⁷ report and AG findings.
- 6.4. Political (executive authority) and executive management leadership of Institutions need to extend governance as a good management practice to ICT and **evaluate, direct** and **monitor**⁸ the execution of ICT in line with the Public Service and Institution's strategies.
- 6.5. There are international and national mechanisms available that provides guidance and frameworks for the implementation of governance of ICT, such as:
 - a. King III
 - b. ISO 38500
 - c. COBIT™
- 6.6. Institutions should understand and manage the risks, benefits and constraints of ICT. As a consequence, the executive leadership and management should understand the strategic importance of ICT, assume responsibility for the governance of ICT and place the governance of ICT on the strategic agenda. In order to achieve this it is necessary for Public Service and Institutions to implement a governance system for the ICT Framework (GICTF).

7. LEGISLATIVE ENVIRONMENT

- 7.1. The Institution must be aware of and comply with the legislative landscape applicable to and within the context of the Institution.

⁵ Electronic Government a Digital Future February 2001, as Amended

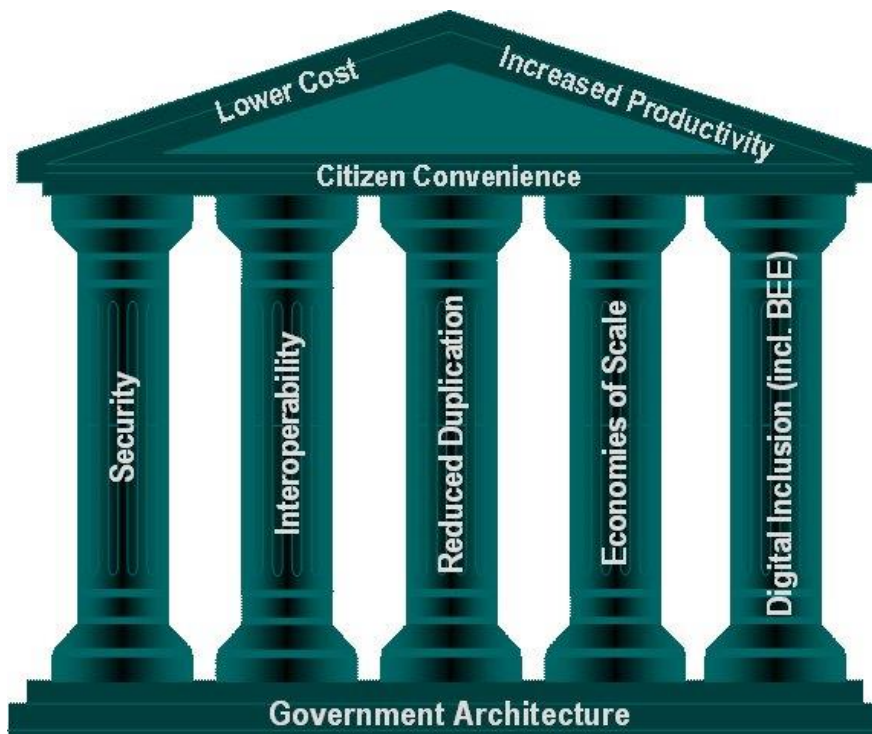
⁶ King III Report Chapter 5: The Governance of ICT

⁷ Presidential Review Commission report 1998

8. GOVERNMENT SERVICE DELIVERY ENABLEMENT THROUGH ICT

- 8.1. The South African Government adopted 12 strategic performance outcomes to ensure the provision of an efficient and effective Public Service, guided by the Batho Pele principles of equal access to services, increased productivity and lowering of cost.
- 8.2. The Public Service, via the GITOC and the DPSA, also adopted certain ICT values and key focus areas that should be achieved as contained in the ICT House of Value shown below.

Figure 1 ICT House of Value



- 8.3. All of the 12 strategic performance outcomes and the key focus areas of the ICT House of Value relates to each other. It is, however, performance outcome number 12: *an efficient, effective and development oriented Public Service and empowered, fair and inclusive citizenship*, that directly speaks to ICT enablement of public service delivery.
- 8.4. The following table shows the relation of the 12 strategic performance outcomes and the benefits that are realised when the governance of ICT is effectively implemented and maintained.

Table 1 : Mapping of Outcome 12 to the ICT House of Values and Benefits realised from the Governance of ICT

STRATEGIC OUTCOMES	ELEMENTS OF ICT HOUSE OF VALUES	BENEFITS DERIVED FROM THE GOVERNANCE OF ICT
<p>12 Strategic Performance Outcomes for the South African Government:</p> <p>Outcome 12 is directly related:</p> <ul style="list-style-type: none"> • an efficient, effective and development oriented Public Service and empowered, fair and inclusive citizenship 	<ul style="list-style-type: none"> • Government architecture • ICT Security • ICT Interoperability • Reduced ICT duplication • Economies of scale • Digital inclusion (Incl. BEE) 	<ul style="list-style-type: none"> • Lower cost • Improved Public Service delivery • Increased productivity • Citizen convenience <ul style="list-style-type: none"> - Increased access to information and services • Improved return on investment • Improved management of ICT related risk • Improved communication • Improved delivery of ICT • Improved ICT enablement of business • Improve trust between ICT and the business • Increased alignment of investment with strategic goals • Lowered ICT continuity cost • Continuous improvement of business and ICT alignment • Improved ICT programme and project management

- 8.5. To derive full value from ICT enablement on a strategic and Institutional level the executive authority and -management should ensure that ICT:
- Collectively position the Public Service to deliver on the 12 Outcomes;
 - Enables the Bela Bela District Municipality to deliver service ;
 - Facilitates the achievement of Public Service-wide and Bela Bela Municipalities goals;
 - Is managed in such a way that it is resilient and agile enough to learn and adapt to changing circumstances;
 - Is executed in line with legislative and regulatory requirements;
 - Performs risk management in line with the risk management priorities and appetite of the Municipalities and that of the wider Public Service;
 - Pro-actively recognises opportunities and guiding government institutional and Public Service-wide executive authority and management in the timeous adoption of appropriate technology; and
 - Providing appropriate security measures to protect Bela Bela Local Municipality information.

9. CORPORATE GOVERNANCE IN THE PUBLIC SERVICE

- 9.1. The purpose of corporate governance is to create value for the stakeholders of the Bela Bela Local Municipality. It consists of a governance system that affects the way the Public Service Institutions are managed and controlled. It also defines the relationships between stakeholders and the strategic goals of the Public Service and Municipalities.
- 9.2. Corporate governance is a vehicle through which value is created within Institutional context. Value creation means realising benefits at an optimal resource cost whilst optimising risk. This value creation takes place within a governance system that is established through this Framework. A governance system refers to all the means and mechanisms that enable multiple stakeholders of an Institution to have a structured and organised say in:
 - a) **Evaluate** *internal and external context*, strategic direction and risk to conceptualise the Institution's strategic goals and how it will be measured.
 - b) **Direct** *the Institution in the execution* of the strategic goals to ensure that value is realised and risk is managed.
 - c) To **monitor** *the execution* of the strategic goals within an Institution against the measures identified for attaining the strategic goals.
- 9.3. Corporate governance is also concerned with individual accountability and responsibilities within the Municipal institution; it describes how the institution is directed and controlled. And is in particular concerned with:
 - a) **Organisation** - the organizational structures, and coordinating mechanisms (such as steering forums) established within the municipalities and in partnership with external bodies;
 - b) **Management** – the individual roles and responsibilities established to manage business change and operational services; and
 - c) **Policies** - the frameworks established for making decisions and the context and constraints within which decisions are taken.
- 9.4. Figure 2 depicts the functioning of the governance system. The Executive leadership, who is accountable, provides the strategic direction of the Municipality. The strategic direction, together with the external and internal factors, influences the strategic goals. Corporate Governance and the Governance of ICT are executed on Executive level through the function of *evaluation, direction and monitoring*. The management of business execution is done through the organisational structure and utilisation of the relevant resources.

Figure 2 Governance System



9.5. The executive leadership and management of the municipalities are accountable and responsible to implement a governance system.

10. GOVERNANCE OF ICT IN THE PUBLIC SERVICE

10.1. The governance of ICT is a subset of corporate governance and is an integral part of the governance system within Bela Bela Local Municipality.

10.2. The governance of ICT is defined as "the system by which the current and future use of IT is directed and controlled. It involves evaluating and directing the plans for the use of IT to support the organisation and monitoring this use to achieve the plans. It includes the strategy and policies for using IT within an organisation." (SANS 38500: 2008:9)

10.3. The executive authority and –management is accountable and responsible to ensure that governance of ICT is implemented in their institution in line with this framework.

10.4. Effective governance of ICT is effected in Municipalities by:

- a) Assigning responsibilities to executive and senior managers with decision making authority,
- b) Utilizing appropriate governance mechanisms;

- c) Aligning ICT goals with business goals and ensure that business benefits are realised and risk managed;
- d) Investing in ICT to enable the Institution in the realisation of business value;
- e) Ensuring that appropriate business ownership of ICT projects are established;
- f) Providing the necessary capacity and capability in ICT to support business; and
- g) Ensure that ICT is monitored and measured.

10.5. The implementation of the governance of ICT can be achieved through the following means and mechanisms:

10.5.1. *Means and mechanisms:*

- a) Frameworks;
- b) Principles;
- c) Policies;
- d) Sponsorship; and
- e) Structures.

10.5.2. *Decision making mechanisms:*

- a) Roles and responsibilities;
- b) Processes; and
- c) Practices;

10.6. The above creates the direct, monitor and compliance context for ICT's strategic alignment to the business strategy and goals.

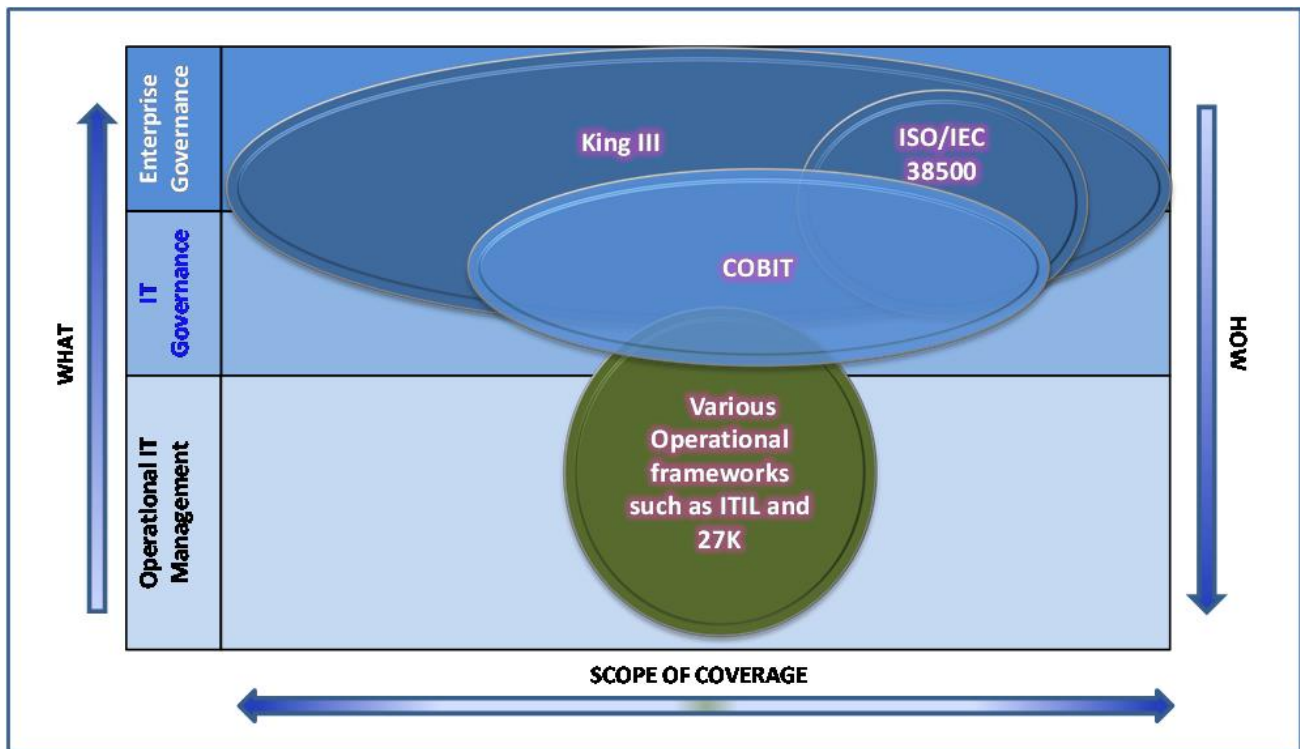
11. THE FRAMEWORKS AND STANDARDS BASE

11.1. From a governance perspective this Framework is based on the following:

- a) The **King Report** [currently in its third iteration, King III] is the most commonly accepted corporate governance framework in South Africa and is also valid for the Public Service. It has also been used to provide the governance of ICT principles and establish the relationship between corporate governance and the governance of ICT.
- b) **ISO/IEC 38500**⁸ is internationally accepted as the standard for governance of ICT and provides governance principles and model. This international standard is adopted by South Africa as SANS 38500.
- c) **COBIT**TM is an internationally accepted process framework for the implementation of governance of ICT.
- d) The principles and models as explained in the above frameworks and standard has been used to define and describe corporate governance in this framework and to provide the principles of good governance of ICT.

⁸ Adopted for South Africa as SANS 38500

Figure 3 : Interrelated Reference Base of this Framework



11.2. Depending on the size and complexity of their ICT operations, Municipalities may also elect to adopt related standards and frameworks. The following are recommended:

- Enterprise Architecture (e.g. GWEA/TOGAF)
- ICT Security (e.g. ISO 27000 set)
- Service Management (e.g. ITIL)
- Interoperability Standards (e.g. MIOS)
- Portfolio, Programme and Project Management (e.g. PRINCE 2/PMBOK)

12. OBJECTIVES OF THE GOVERNANCE OF ICT

12.1. The following objectives for the governance of ICT were adopted by the GITOC:

- Establish a common or uniform Governance of ICT Framework (GICTF) and implementation guideline for the Public Service;
- Embed governance of ICT as a subset of corporate governance;
- Create business value through ICT enablement;
- Achieve ICT service delivery performance by conforming to relevant internal and external frameworks, standards and practices; and
- Implement the governance of ICT in the Institution based on COBIT™.
- Position the GITO function as an integral part of the Executive Management.

13. THE PRINCIPLES FOR THE GOVERNANCE OF ICT

13.1. The Government-wide GICTF is based on principles as explained in the international standard for IT governance, ISO/IEC 385003, King III report and COBIT™.

The following table summarizes the adopted principles. For a complete list see Annexure A.

Table 2 Governance of ICT Principles

Principle Number	Principle Description
1.	<p>Executive Authority is <u>accountable</u> to ensure that:</p> <ul style="list-style-type: none"> a) A Governance of ICT Framework is implemented in the Municipalities; and b) The business and ICT strategic goals of the Bela Bela Local Municipality are aligned with the political mandate of the Institution.
2.	<p>Executive Authority is <u>responsible</u> to be involved in all major business related strategic ICT decision-making and its related expenditure.</p>
3.	<p>Executive Management is <u>accountable</u> to ensure that:</p> <ul style="list-style-type: none"> a) ICT is aligned with the strategic and business objectives of the Bela Bela Local Municipality b) Business related ICT goals are cascaded throughout the Bela Bela Local Municipality for implementation; and c) A fit for purpose ICT capacity and capability is created to meet current and future business requirements.
4.	<p>Executive Management is <u>responsible</u> to ensure that:</p> <ul style="list-style-type: none"> a) Governance of ICT is on the strategic agenda of the Bela Bela Municipality; b) Support and advise is provided to the Accounting Officer in defining and formulating ICT strategic goals; c) The responsibility for the implementation of the governance of ICT is delegated and communicated to the relevant management (business and ICT management); d) The necessary culture, structures, policies, procedures, processes, mechanisms and controls regarding all aspects of ICT use (business and ICT) are clearly defined, implemented and enforced. e) Everyone in Bela Bela Municipality understands and accepts their responsibilities and the link between business and ICT objectives with respect of the supply and demand for ICT; f) ICT assets, privacy and security are effectively managed; g) Significant ICT investments and expenditure are informed by the enterprise architecture, motivated (Business Cases), monitored and evaluated; and h) The use of ICT demonstrates understanding and respect for human behaviour.

5.	<p>Accounting Officer is <u>accountable</u> for:</p> <ul style="list-style-type: none"> a) The implementation of the governance of ICT in the Bela Bela Municipality ; b) Ensuring that the management practices embrace the concepts of delegation of authority, personal responsibility, accountability and performance management; c) The development of an ICT management policy for the municipal management of ICT; and d) Monitor the effectiveness of the governance of ICT.
6.	<p>Accounting Officer is <u>responsible</u> to ensure that:</p> <ul style="list-style-type: none"> a) ICT is aligned with the strategic and business objectives of the Bela Bela Municipality ; and b) ICT form an integral part of the Bela Bela Municipality risk management.
7.	<p>A risk and audit committee should assist the Accounting Officer in carrying out his/her ICT accountability and responsibilities.</p>
<p>Note: See Annexure A for a comprehensive description of these principles and its implementation measures.⁹ & 10</p>	

14. ICT ENABLING STRUCTURES IN THE PUBLIC SERVICE

14.1. To give effect to the PRC recommendations to improve the delivery of ICT service in the Public Service, different structures/entities were established:

- a) The **GITO**¹¹ function was established in each Institution with a purpose to align and execute ICT service delivery with the strategic direction and management plans of the institution;
- b) The **GITO Council**¹² was established as the principal inter-departmental forum to improve ICT practices of Institutions on such matters as the design, modernization, use, sharing, and performance of information and ICT resources;
- c) The **State IT Agency**¹³ (SITA) was created as the ICT execution arm of government; and
- d) In the DPSA, **Public Service ICT Management** (PSICTM) is responsible to ensure that ICT execution enables the Public Service to improve the Public Service delivery.

14.2. These structures/entities however does not negate the accountability and/or responsibility of **the Executive Authority, Accounting Officer and/or Executive Management** to *direct, evaluate and monitor* ICT service delivery of their Institution.

15. ICT GOVERNANCE OVERSIGHT STRUCTURE IN THE PUBLIC SERVICE

15.1. The need for the creation of this Framework was informed by various investigations performed in the past. It was found that ICT is not effectively managed on the various

⁹ King III report Chapter 5, Governance of ICT Principles Page 36

¹⁰ ISO 38500: 2011 Information Technology – Corporate Governance of ICT: Principles Page 8

¹¹ Cabinet Memorandum 38(a) of 2000

¹² Cabinet Memorandum 38(a) of 2000

¹³ SITA Act of 1998 as Amended

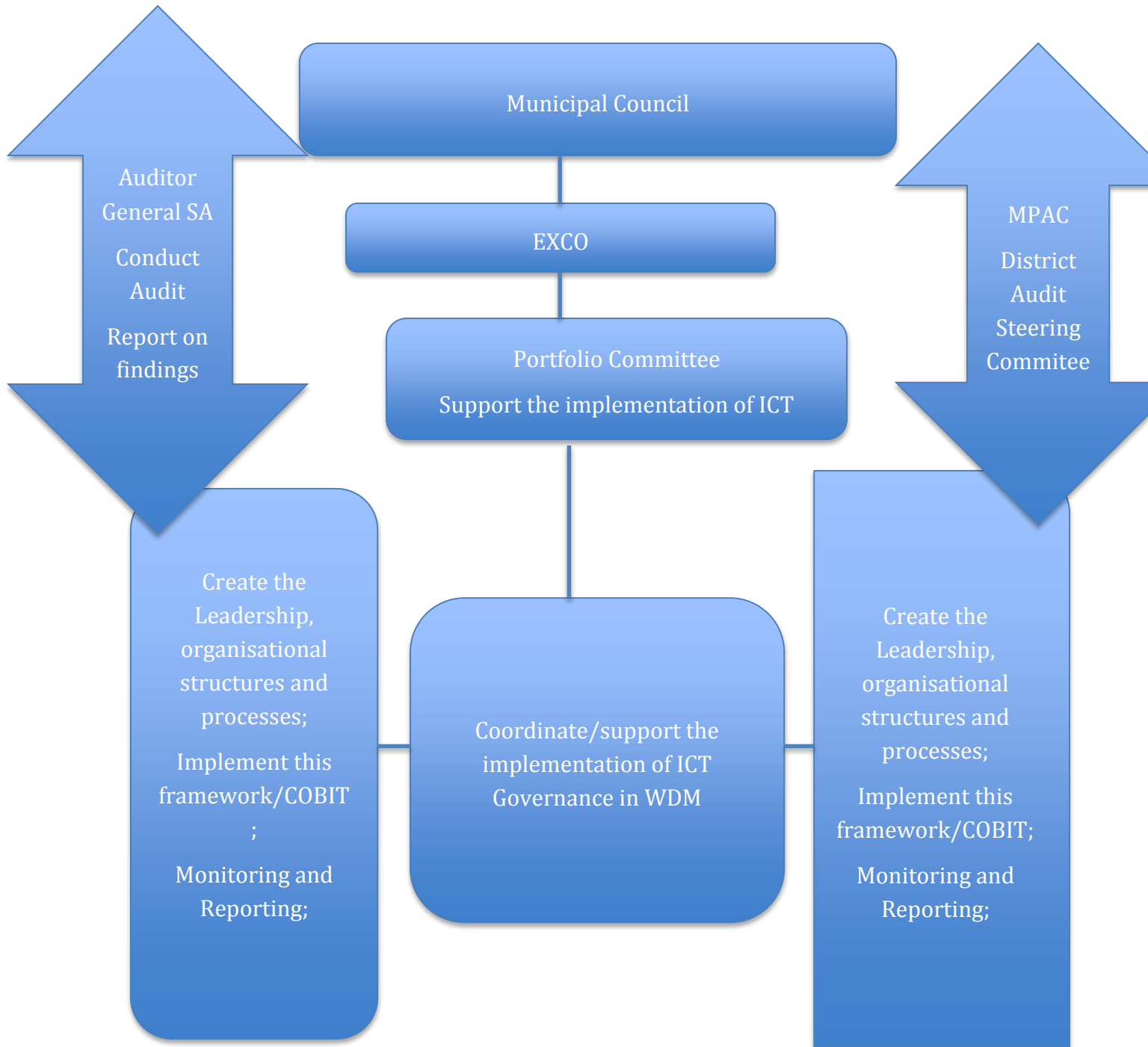
levels of the Public Service as intended by the applicable acts and regulations.

15.2. This Framework should create a Public Service-wide oversight structure to foster an integrated approach to the governance of ICT and ensure proper coordination between stakeholders. The oversight structure is:

- a) **Ministerial cluster for Governance and Administration** is responsible to foster an integrated approach to governance and ensure proper coordination.
- b) **The Minister for Public Service and Administration** is responsible for information and communication technologies in the Public Service. In the relation to this Framework the Minister may establish ICT norms and standards, make regulations, determinations and directives to improve the internal functioning of the Public Service and to render effective services to the public.
- c) **The Department of Public Service and Administration** supports the Minister in leading public service transformation and provides professional advice and support to ensure public service excellence and good governance.
- d) **The Public Service ICT Management Branch** is responsible for the implementation and oversight of ICT governance in accordance with a Governance of ICT Framework and Implementation Guidelines.
- e) **The GITO Council** through the ICT Governance Standing Committee is the principal inter-departmental forum to coordinate, advise and facilitate the adoption and implementation of the governance of ICT.
- f) **The Auditor General** conducts audits and reports on their findings to the relevant authorities.
- g) **Municipalities:**
 - Create a sustained enabling environment for the implementation of the governance of ICT;
 - Ensure that the governance of ICT is monitored and managed in such a way to achieve continuous improvement of ICT enabled service delivery; and
 - Reporting.

The following Figure 4 depicts the oversight structures that are relevant for the implementation of the governance of ICT in the Public Service.

Figure 4 Municipal Governance of ICT Oversight Structures



SECTION 2: TACTICAL CONTEXT

16. INTRODUCTION

16.1. COBIT™ is an internationally recognized good practice framework for the governance of ICT and was adopted by the GITOC for the Public Service.

- 16.2. The implementation of COBIT™ will establish a common knowledge and reference base on which the Minister of Public Service and Administration (MPSA) will be able to perform its Monitoring and Evaluation (M&E) function in the Public Service.
- 16.3. The AG adopted the use of COBIT™ to independently audit the governance of ICT in the Public Service.
- 16.4. COBIT™ will support the implementation of this Framework within Institutions.

17. THE COBIT™ ICT GOVERNANCE FRAMEWORK

- 17.1. COBIT™ is a comprehensive governance of ICT Framework and was created by ISACA and IGTI™. It is a good practice that has widespread implementation throughout the world and in South Africa.
- 17.2. COBIT allows institutions to achieve their related ICT governance and management objectives, i.e., to create optimal value from ICT by maintaining a balance amongst realising benefits, managing risk and balancing resources.
- 17.3. COBIT™ is not a standard that can be implemented. It rather provides an agile framework within which an institution is afforded flexibility with implementation according to its specific environment.
- 17.4. As governance framework, COBIT™ deals with every aspect of ICT, including the complete life cycle of ICT investment. It is a set of ICT governance and management guidelines to provide auditors, managers and ICT users with a set of:
- a) Standard indicators;
 - b) Processes; and
 - c) Good practices to enable maximization of the benefits in using information technology.
- 17.5. COBIT™ integrates all of the main global ICT standards, such as ITIL (Service Management), CMMI (Maturity Assessments) and SANS 27001 and 2 (Security) and ensures that:
- a) ICT is aligned with business requirements;
 - b) ICT enables the business and maximizes benefits;
 - c) ICT activities are organized into a generally accepted process model;
 - d) ICT resources are used responsibly;
 - e) ICT risks are managed appropriately;
 - f) Undesired events are prevented or detected and corrected; and
 - g) Institutions comply with regulatory requirements.
- 17.6. COBIT™ provides metrics and maturity models to measure the achievement of ICT support to business goals and identify the associated responsibilities of business and ICT process owners. It provides a mechanism to measure the governance ICT process

maturity.

17.7. One of the five COBIT™ principles is an 'integrator framework' that supports the achievement of governance of ICT objectives. This includes resources such as information and people. There are seven categories of enablers:

- a) Processes
- b) Principles and policies
- c) Organizational structures
- d) Skills and competences
- e) Culture and behavior
- f) Service capabilities
- g) Information

Enablers interact in a systemic way, meaning that a governance and management system cannot succeed unless all enablers are dealt with and the major interactions are understood.

17.8. COBIT™ will be used to implement this Framework in Institutions.

SECTION 3: IMPLEMENTATION

18. APPROACH

18.1. Each Municipality has an unique internal and external context. Therefore a common but flexible approach to the governance of ICT is required. This Framework makes allowance for such flexibility.

18.2. Governance of ICT should be embedded in the corporate governance of the Municipalities.

18.3. COBIT™ will be used to implement the governance of ICT within the context of this Framework.

18.4. As the implementation of the governance of ICT in the Municipalities is a mammoth task, requiring extensive resources, skills and change management, a phased approach is recommended. It necessitates the creation of an enabling environment such as:

- a) Develop and approve a Governance of ICT Policy;
- b) Create the necessary structures and assign roles and responsibilities;
- c) Position the GITO function as an integral part of the Executive Management;
- d) Define the necessary processes and procedures;
- e) Provide relevant skills and competencies; and
- f) Apply change management.

18.5. The municipalities should achieve continuous improvement in the governance of ICT through the following iterative process:

- a) Conducting assessments to determine the “as-is” situation;
- b) Develop and implement roadmaps to achieve the desired state; and
- c) Embed monitoring and evaluation as a continuous responsibility.

18.6. A guideline for the implementation of this Framework will be issued by the DPSA in due course.

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ANNEXURE A: FULL DESCRIPTION OF PUBLIC SERVICE ICT GOVERNANCE PRINCIPLES

ISO/IEC 38500 Principles	Related King III principle
<p>Principle 1: All within the organisation have to understand and accept the responsibility in respect of both supply of, and demand for IT</p>	<p>Principle 1 - Board Responsibility: The board should be responsible for information technology (IT) governance</p> <ul style="list-style-type: none"> • The board should assume the responsibility for the governance of IT and place it on the board agenda. • The board should ensure that an IT charter and policies are established and implemented. • The board should ensure promotion of an ethical IT governance culture and awareness and of a common IT language. • The board should ensure that an IT internal control framework is adopted and implemented. • The board should receive independent assurance on the effectiveness of the IT internal controls. <p>Principle 3 - IT Governance Framework: The board should delegate to management the responsibility for the implementation of an IT governance Framework</p> <ul style="list-style-type: none"> • Management should be responsible for the implementation of the structures, processes and mechanisms for the IT governance Framework. • The board may appoint an IT steering committee or similar function to assist with its governance of IT. • The CEO should appoint a Chief Information Officer responsible for the management of IT. • The CIO should be a suitably qualified and experienced person who should have access and interact regularly on strategic IT matters with the board and/or appropriate board committee and executive management.
<p>Principle 2: The organisation's business strategy takes into account the current and future capabilities of IT</p>	<p>Principle 2 - Performance and Sustainability: IT should be aligned with the performance and sustainability objectives of the company</p> <ul style="list-style-type: none"> • The board should ensure that the IT strategy is integrated with the company's strategic and business processes. • The board should ensure that there is a process in place to identify and exploit opportunities to improve the performance and sustainability of the company through the use of IT.
<p>Principle 3: All IT acquisitions are made for valid reasons on the basis of the appropriate and on going analysis with clear</p>	<p>Principle 4 - IT Investments: The board should monitor and evaluate significant IT investments and expenditure</p> <ul style="list-style-type: none"> • The board should oversee the value delivery of IT and monitor the return on investment from significant IT projects. • The board should ensure that intellectual property contained in information systems is protected.

<p>and transparent decision making</p>	<ul style="list-style-type: none"> The board should obtain independent assurance on the IT governance and controls supporting outsourced IT services.
<p>Principle 4: IT is fit for purpose in supporting the organisation, providing the services, levels of service and service quality required to meet current and future business requirements</p>	<ul style="list-style-type: none"> Same as Principle 2 above.
<p>Principle 5: Compliance should form an integral part of the risk management process. The risk of non-compliance should be identified, assessed and responded to in the risk management process.</p>	<p>Principle 5 - Risk Management: IT should form an integral part of the company's risk management</p> <ul style="list-style-type: none"> Management should regularly demonstrate to the board that the company has adequate business resilience arrangements in place for disaster recovery. The board should ensure that the company complies with IT laws and that IT related rules, codes and standards are considered.
<p>Principle 6: IT Policies, practices and decisions demonstrate respect for Human Behaviour, including the current and evolving needs of all the "people in the process"</p>	
	<p>Principle 6 - Information Security: The board should ensure that information assets are managed effectively</p> <ul style="list-style-type: none"> The board should ensure that there are systems in place for the management of information which should include information security, IT and information privacy The board should ensure that all personal information is treated by the company as an important business asset and is identified. The board should ensure that an Information Security Management System is developed and implemented. The board should approve the information security strategy and delegate and empower management to implement the strategy.

	<p>Principle 7 - Governance Structures: A risk committee and audit committee should assist the board in carrying out its IT responsibilities</p> <ul style="list-style-type: none">• The risk committee should ensure that IT risks are adequately addressed.• The risk committee should obtain appropriate assurance that controls are in place and effective in addressing IT risks.• The audit committee should consider IT as it relates to financial reporting and the going concern of the company.• The audit committee should consider the use of technology to improve audit coverage and efficiency.
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POLICY AUTHORITIES

Compiled by	D Nkuna
Designation	Divisional Manager IT
Signature	
Date	
Supported by	
Designation	
Signature	
Date	
Approved by	
Designation	
Signature	
Date	
Effective Date	From date of approval